



Quality & Conformity Fruit & Vegetables

PIP Magazine

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editorial

The certification of ACP fruit and vegetable companies supported by PIP increased greatly during the second half of 2006. For these operators, certification represents formal recognition of the efforts they have made in recent years, with the support of the EDF. For the moment, certification allows the companies to safeguard their existing market position. Unfortunately, it does not provide any 'added value', so they do not reap additional financial rewards. Certification consequently proves to be a very expensive admission ticket! This new condition for market access imposed by mass distributors has upset the fragile economic balance of the most vulnerable producers! For those that have held their ground, new requirements are already emerging, related to respect for the environment, social ethics, and so on. How will we continue to assist the ACP producers in taking up these new challenges?

Guy STINGHAMBER
PIP Director



Picture: Integra

“It is important that the programmes be continued in order to ensure the sustainability of their benefits”

Sir John Kaputin, Secretary-General of the ACP Group of States



In the coming years, European aid will focus in few sectors (Infrastructure, water, energy...). Is the agricultural sector still a top priority for ACP countries? And more specifically, how do you view the future of the ACP fruit and vegetable sector?

Considering the relationship between agriculture, poverty and hunger in the ACP countries, the answer to this question is almost obvious. The economies of most ACP countries largely depend on agriculture; poverty and hunger is widespread; and majority of the poor live in the rural areas. Similarly, more than 60% of the populations in ACP countries work directly in agriculture or in farm related activities.

However, other sectors (infrastructure, water, energy) need to be promoted for agriculture to play its role. For example without an efficient transport and storage system for handling products from field to market, efforts to improve productivity are wasted. What is important, therefore, is that increase investments in other sectors are not carried out at the expense of the badly needed resources for agriculture to avoid the risk of shifting the problem instead of resolving it.

Prioritization of agriculture was glaring for example from the agreement of African Heads of States to implement NEPAD's Comprehensive African Agricultural Development Programme (CAADP) and to allocate at least 10% of national budgetary resources to agriculture within five years. It is very clear that a rise in investment of both domestic and external resources would allow agriculture to work in harmony with other sectors to strengthen economies in ACP States, and afford people the opportunity to escape the vicious circle of hunger and poverty. It is then that meeting the (Millennium Development Goal) MDG goal of eradicating extreme poverty and hunger could be feasible in ACP countries.

The Ministerial Conference held at Doha in 2001 urged Members to provide the financial and technical assistance necessary to enable least-developed countries to meet the SPS requirements in their export markets, and to help these countries with their implementation of the SPS Agreement. But today, exports from ACP countries still have big problems to access the European markets. What could be done to give them the appropriate support?

Today, sanitary and phytosanitary (SPS) measures are a major concern for the ACP countries. Indeed, the agricultural products affected by these measures represent more than 30% of EU imports from ACP countries.

With the advent of trade liberalisation, non-tariff barriers tend to become important. It is in a bid to prevent sanitary standards being used as protective measures that steps have been taken at the multilateral level within the framework of the WTO's SPS Agreement.

The ACP Group is fully aware of the importance of the SPS measures for the market access of its food products. For that reason, the Group has asked the European Union, its main partner, to set up programmes aimed at building capacities in ACP countries to enable them to better meet the sanitary requirements of the countries to which they export their products. The programmes that have been set up have contributed considerably to improving the sanitary quality of ACP products, and promoting market access for the products, even if they have not solved all the problems the ACP countries face in that area. It is important that the programmes be continued in order to ensure the sustainability of their benefits. Steps are currently being taken to that effect. Other programmes have also been considered in the framework of the ACP-EU cooperation and the modalities for setting them up and implementing them are under consideration.

In addition to upgrading initiatives, efforts have been made to enable ACP countries to participate more actively in the work of the Codex Alimentarius, the World Organisation for Animal Health (OIE) and the International Plant Protection Convention (IPPC) to promote their interests. Other actions are being considered by the ACP Group with a view to harmonising SPS standards so that they could better serve the interests of the ACP countries.

I would like to thank the European Commission for its assistance in that area, and I appeal to other organisations to provide technical and financial support to the ACP countries to help them meet the SPS requirements and to promote market access for their products.

Healthy production is compulsory, but is it always enough?



Since being launched in 2001, the Pesticides Initiative Programme has carried out numerous actions on the ground, working side by side with stakeholders of the ACP fruit and vegetable sector, with the aim of helping them meet the legal and commercial requirements of the European market in terms of food safety and traceability. Five years on, the PIP can pride itself on significant results, prompting the European Commission to prolong the programme until 2008. Since the PIP's launch, however, new requirements have continued to appear on the fruit and vegetable market and other challenges have arisen in the global trading arena: a growing number of standards, increasingly demanding specifications, application and adoption of new regulations, etc. All of these represent obstacles being faced or soon to be faced by ACP exporters and for which they are probably not yet sufficiently equipped.

The PIP's experience in the ACP countries has enabled it to put in place tools adapted to the needs of the ACP exporters and their suppliers. Today, the programme

collaborates with operators from the fruit and vegetable export sector in the main ACP states exporting to the EU. The cumulative volume of these exports is around 332,000 tonnes, which means the programme's action affects the sanitary compliance of more than 85% of the trade flows concerned. All types of companies in the sector, from leading operators to groupings of small producers, are represented. The number of producers concerned can be estimated at 100,000, of which a majority of small producers.

80% of the experts assigned by the PIP are now local experts

These companies have benefited from a far-reaching training programme, developed and implemented by the PIP. It has enhanced on a lasting basis the skills of managers and technicians in the fruit and vegetable sector in the key areas of sanitary quality. Anchoring solid expertise in the ACP states in those areas on which market access depends necessarily requires the sustainable

strengthening of local capacities. In that respect, one of the mainstays of the PIP training strategy has been to give priority to local expertise: a pool of some 140 ACP trainers has been put in place and the programme now relies on them to provide training. These experts have themselves undergone training for trainers, aimed both at improving their technical skills in food safety and crop protection matters, and their capacity to train and advise the managers and technical staff of companies.

Based in Uganda, Florence Nagawa is one of the local experts trained by the PIP. "I participated in the "Train the Trainers" session held in Kampala in August 2004. The PIP also provided support to help me improve my food safety skills. They then asked me to train Ugandan firms in the area of integrated pest management, in particular for organic products. I am currently giving training to 18 companies and their small suppliers", she explains.

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Today, 80% of the services funded by the PIP are provided by ACP consultants, compared to 20% at the programme's start-up. ACP expertise is thus massively replacing European expertise. This situation enables companies to find economically viable solutions to their problems at the local level and to build the anticipation capacity of stakeholders in the ACP fruit and vegetable sector. The local experts also offer the advantage of being very familiar with production conditions in the country and the local environment. *"This strategy aimed at enhancing the value of national expertise by ensuring a transfer of knowledge and skills is justified, in my view. It enables local companies to find qualified and reliable service providers on location"*, explains Olga Kouassi, a consultant in Côte d'Ivoire. *"And even after the programme's conclusion, the expertise will be there to guarantee the continuation of what has been done and at a cost companies can pay"*, she concludes. Frank Dumas, Quality Director for Sélectima, a company based in Côte d'Ivoire that has been receiving PIP support since 2003, also considers it vital to have quality advice locally. *"The local experts carried out their assignment very well. They have met our expectations. They were all highly competent and knew their subject perfectly. Their human qualities, their attentiveness to our concerns and their availability made them very valuable advisors for our company"*, he confirms.

Helping companies become better organised and more competitive

The introduction of traceability in companies has been and remains one of the PIP's priority projects. *"With the support of the PIP, we set up an effective traceability system that enables us to comply with regulatory requirements and our clients' needs. In the event a client has a complaint, we can easily trace the origin of the problem and take remedial action. We see this as a tool for product safety and quality"*, explains Alexander Agudelo of the Compagnie des Bananes de Côte d'Ivoire. A traceability software tool specifically adapted to the needs of ACP producers has also been developed by the PIP's experts and made available to companies. Firms in Burkina Faso, Kenya, Ghana, Senegal, Cameroon and Uganda have already adopted it.

To help ACP producers grow fruit and vegetables in accordance with good practices and the requirements of

European regulations on maximum residue limits (MRLs), the PIP has drawn up reference crop protocols for around 10 crops. These protocols or production guides have been validated through field testing carried out in collaboration with the main manufacturers of plant protection products and the ACP producers themselves. In parallel with the preparation and validation of the reference crop protocols, the PIP coordinates a registration adjustment programme for the ACP states. In addition to complying with European sanitary and phytosanitary standards, the plant protection

products recommended by the PIP must also be authorised for use in the countries where the fruit and vegetables are produced. Following on from the Permanent Inter-state Committee for Drought Control in the Sahelian Zone (ICDCS), which already has a harmonised registration procedure, two new regional pesticide registration bodies have been set up in Africa in recent months with the support of the COLEACP/PIP. The first is the Pesticides Committee for the West African Wetlands (Comité des Pesticides pour la zone humide d'Afrique de l'Ouest





– CPAOH); the second is the Central African Pesticides Committee (Comité des Pesticides d'Afrique Centrale – CPAC), which groups Cameroon, Gabon, Equatorial Guinea, Central African Republic, Republic of Congo and Chad.

Finally, to promote and encourage dialogue and consultation among all stakeholders in the sector, whether private operators or members of public support bodies, the PIP has put considerable effort, as part of local capacity-building, into setting up and developing a dozen or so task forces in the ACP states.

Taking up the new challenges

“Our action has brought solutions to the problems faced by ACP exporters in gaining access to the European market – at least as far as sanitary and phytosanitary standards are concerned”, explains the PIP Project manager. That is not the only battlefield, however. Indeed, ACP exporters have to deal with increasingly tough competition, not only from the Asian countries but also from Latin America. *“African producers are having a hard time competing on the global market”,* explains Addulkarim Farid S Karama, General Manager of Sulmafoods, a firm based in Uganda that exports fruit and vegetables to the United Kingdom and the Netherlands. He continues: *“In addition, the high costs for transport and production, as well as the technological inferiority of our agriculture, make it very hard for us to mass-produce”.*

The demands of European distributors are also continually being raised, often going beyond regulatory requirements. To sell their goods, ACP operators increasingly have to register with standards bodies and obtain certifications, which are economically costly. *“The big distributors impose specifications on their suppliers. Not only are*

these more binding than legislation, but they also often go beyond the framework of food safety compliance”, explains Guy Stinglhamber. *“The PIP’s achievements have to be consolidated and support for the ACP fruit and vegetable sector must be continued and expanded, in particular support for compliance measures that encompass the production of small producers.”*

Small producers in greater danger than ever

The ACP fruit and vegetable export sector is characterised by a high number of small and medium-sized holdings, which provide a living for several million inhabitants of rural areas. The production structure resides on small producers to a very great extent. Keeping small producers in the production circuit and consequently in the export market is one of the PIP’s fundamental objectives.

In that context, the PIP is counting on sustainable support and follow-up for small producers and encourages the export companies they supply to build a partnership with them based on balanced ties.

Abdulkarim Farid S Karama, General Manager of the Ugandan-based firm Sulmafoods, employs some 100 producers. *“One of the problems for training small producers is language. Some farmers speak only a local dialect and others are illiterate. But once we had adapted to that situation, we did not encounter any opposition. Because with training, the farmers realised perfectly well that these measures would enable them to export their products and earn money.”*

The PIP has developed specific support actions for some 100,000 small producers operating in around 20 countries, with a view to training them and increasing

their awareness of the importance of sanitary standards and their own safety. These actions are either conducted in collaboration with the companies that work with small producers or delivered through relay structures and the NGOs with which the PIP has set up partnerships. Training materials adapted to the context of ACP companies, earmarked particularly for working with small farmers, have been developed and financed by the PIP: training workbooks, illustrated posters, slide shows and brochures in the vernacular languages – particularly in Wolof and Twi. A practical trunk containing various objects and products (pail, funnel, invisible ink to represent microbes, etc.) comes with the materials to make it possible to carry out all the training activities. This set of tools and materials is made available to the technical managers of firms to help them in their task of providing support for and transmitting knowledge to field and station workers as well as small producers. Local consultants have been trained by the PIP to carry out the training activities with quality managers and station heads and to help them become familiar with the material and the methods. The PIP has also organised a series of awareness days on the importance of hygiene and the dangers of the misuse of pesticides, using theatre techniques in West Africa.

Building small producers’ capacities to implement good agricultural practices is possible, but requires a great deal of effort and considerable investments for companies. This is particularly a challenge for those wishing to undertake a certification process. For the Côte d'Ivoire company, Bambara, which exports mango to France, seeking certification is clearly an investment. Olivier Bambara explains: *“We work with 350 small producers. They have to be trained and supervised. What is more, we have to finance the phytosanitary products, the treatment*

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equipment, etc.” He continues: *“But you know, on the European market, more and more importers are requiring certification.”*

To help the ACP firms meet the requirements of European buyers who demand compliance with commercial standards, the PIP can intervene in areas related to food safety and traceability. The experts can help companies in the different stages leading to certification, from diagnosis to training and validation. The PIP's support has enabled a number of the bigger firms to obtain certification, for example East African Growers in Kenya or SEPAM in Senegal, which are now Eurepgap certified.

Increasingly binding private standards

The phenomenon of private standards is the subject of a recent OECD study edited by Linda Fulponi. The study shows that over the last 10 years, in the agro-food sector, private food standards (defined as product or process attributes required by private enterprises) have increased in number and use. This creates new problems that are not insignificant for producers, from both Europe and other parts of the world. According to the study, these standards can improve the efficiency of the agro-food sector but they can also be discriminatory towards certain producers for whom it is not economically feasible to meet such requirements because they cannot exploit economies of scale or for other reasons. As the study states: *“The issue may potentially be more important for small holders in developing countries, which must also contend oftentimes with a lack of well functioning institutional and physical infrastructures.”*

While compliance with European regulations is an attainable objective that can even have beneficial effects on the competitiveness of small producers, private certification schemes, such as EUREPGAP, required by European mass distributors remain economically

problematic and result in an exaggerated selection of small producers.

We must not hide our heads in the sand, however. All the analyses (OECD, World Bank, UNCTAD, DFID/NRI, etc.) agree that without cooperation support, small producers from the African, Caribbean and Pacific countries will not be able to take up this new challenge successfully.



Picture: Integra

in the sector have succeeded in mobilising their efforts to respond effectively to European regulations imposing sanitary constraints.

Thanks to the EDF resources granted to the COLEACP, tools and methods have been developed to provide support for more than 80% of the ACP fruit and vegetable export sector.

Exporters and small producers have taken up the challenge and have demonstrated their ability to make the technical and economic effort needed to comply with regulations. The introduction of production control systems, such as traceability, has even often led to improved productivity and higher exports.

In spite of all these efforts, however, the most vulnerable operators are now being caught up in the flood of new “conditions for access to the European market” imposed by distributors. Indeed, recently there has been a pronounced acceleration of European distributors' use of so-called “voluntary” certifications, such as Eurepgap, BRC, etc., often with very brief implementation deadlines. In spite of the real compliance of their goods, ACP operators see their results being threatened by the costs of private certification, thus throwing off their precarious economic balance.

Today, access to the European market virtually depends on obtaining certification of this type. What is more, the scope of these private certification schemes is continually widening: the environment, social ethics and many other subjects will be imposed as new access conditions in the future.

And what about the future?

The PIP has achieved several of its initial objectives on product quality and traceability. The companies it has supported are using production methods that respect maximum residue limits. They have improved their internal organisation and have set up lasting quality control and traceability systems; they also have competent staff. With the support of the PIP, operators

To face up to these new challenges and safeguard the PIP's achievements, the COLEACP is already mobilising and aims to identify with the ACP operators the solutions and resources that will enable them to stand up to this new wave of European market requirements.

“Special efforts have to be made to ensure that needs of small scale producers are adequately considered”

Louis Michel, European Commissioner for Development and Humanitarian Aid



The WTO Ministerial Conference held in Doha in 2001 urged its members to provide technical and financial assistance to the least developed countries to help them comply with the SPS requirements of export markets. The European Union has put in place a number of sector-based support instruments and programmes, particularly for the ACP states. How would you judge the effectiveness of these programmes today, the response they have brought to the challenges of SPS standards and access to export markets?

The European Union has set up several programmes, totalling over 100 million euros, to help the ACP countries meet the SPS requirements of export markets, particularly for fruit and vegetables and fishery products. A new more general programme has just been approved and another ensures the representatives of ACP countries a presence at international meetings and conferences (in particular the WTO).

For the fruit and vegetable sector, more than 100,000 producers in the 23 ACP states have improved the competitiveness of their companies, learned to use pesticides more rationally and become better organised for food safety and traceability. The actions implemented provide support for more than 85% of the export sector.

For fishery products (fish, molluscs and crustaceans), 70% of the ACP countries have benefited from our actions. The first results are encouraging but there is no denying that there is still a long way ahead to bring into compliance a production chain that most often begins with a large number of small-scale fishermen without much experience in food safety concepts.

The European Consensus on development cooperation has confirmed that the top priority of Community development policy is poverty alleviation. In that context, the Community has decided to concentrate its aid on key areas and sectors. What place does agriculture have and, more specifically, the ACP fruit and vegetable export sector, in this new strategy?

Indeed, we share the view that agriculture has an essential role to play to reach the Millennium Development Goals, in particular the first one, since a majority of the poor live in rural areas, where agriculture is the main livelihood. Small farms in particular constitute a main source of food for poorer populations, as well as a source of employment and economic growth.

I cannot overemphasise the fact that the creation of a supportive environment for agricultural development, in particular for small farms, starts with the recognition of their importance and needs within the ACP countries' own policies. Major policies concerned are obviously the PRS, but also more specific ones like the national or regional trade policy, the strengthening of civil society (i.e. producers' organisations), and regulations of access to natural resources (like land and water).

EC cooperation seeks to stimulate agricultural development as a key component of economic growth and food security. This has been enshrined in the European Consensus, and more clearly in the EU Strategy for Africa. Numerous instruments are being used to support agriculture, whether directly (for example agriculture or rural development are focal sectors under the 9th EDF in more than 20 African countries), or indirectly (support to private sector / SMEs, transport infrastructure, trade capacity building, etc.).

Horticulture offers specific opportunities to ACP agriculture and especially small farms, as high value product, with little land requirement and high labour intensity where family farms tend to have an advantage. It also poses specific challenges, like compliance with sanitary standards, which require optimal management of the marketing chain considering the perishable nature of these products. EC cooperation also targets these specific bottlenecks in many countries, for example by building capacity for SPS management

One of the subjects treated in a report by the Committee for Economic Development, Finance and Trade of the ACP-EU Joint Parliamentary Assembly

is “Poverty reduction for small farmers in ACP countries, in particular in the fruit, vegetable and flowers sector”. As part of implementation of the 10th EDF, how does the European Commission plan to respond to the specific problem of ACP small producers, from the standpoint of reducing poverty?

As mentioned above, EC cooperation, whether directly or indirectly, contributes to agricultural development by means of different instrument. This will continue under the 10th EDF. There is even a trend towards raising the profile of rural development and agriculture in EC cooperation with the ACP.

Small and large farms both make important contributions to economic growth and poverty reduction, and in addition do not and should not function in isolation from each other. That being said, development assistance is supposed to complement private investment. Therefore EC development cooperation tends to focus more on smallholder agriculture, as well as on “public goods” benefiting the agricultural sector (for example, research, sanitary services, infrastructure etc.).

In particular in the field of SPS, the Commission shares the view that special efforts have to be made to ensure that needs of small scale producers are adequately considered. These needs should be particularly considered in the “strengthening food safety systems through SPS measures” project which should be implemented in 2007(9th EDF), and this approach could be reinforced in the second step of this project scheduled under the 10th EDF intra-ACP funds.

COUNTRY	PIP coverage in percentage	BENEFICIARIES					TRAINING*		SPS FRAMEWORK	
		Exporters	Professional organisations	Consultants	Laboratories	Public service providers	Collective training (**)	Trainers (trained by PIP)	PIP Task Force	Local regulations being adapted
Benin	98.0%	7	1	-	-	2	179	2	YES	NO
Burkina Faso	89.6%	14	1	3	1	1	380	7	YES	YES
Cameroon	54.3%	5	2	2	-	1	354	3	YES	YES
Côte d'Ivoire	98.5%	23	1	7	1	1	521	11	YES	YES
Gambia	8.9%	1	-	-	-	1	-	-	NO	YES
Ghana	86.8%	21	2	6	1	2	513	7	YES	YES
Guinea Conakry	99.1%	1	-	2	-	-	161	3	YES	NO
Jamaica	94.5%	8	1	1	1	2	100	2	YES	YES
Kenya	98.0%	37	2	21	1	2	1,589	46	YES	YES
Madagascar	56.5%	8	1	3	-	-	208	8	YES	NO
Mali	69.2%	5	1	5	1	1	221	6	YES	YES
Mozambique	60.2%	1	-	-	-	-	21	-	NO	NO
Uganda	98.9%	21	3	15	1	1	775	30	YES	YES
Dominican Republic	57.6%	12	-	2	1	1	153	3	NO	YES/Org.
Senegal	92.5%	20	1	9	1	5	794	22	YES	YES
Mauritania	90.9%	1	-	-	-	1	-	-	NO	YES
Surinam	5.0%	1	-	-	-	-	-	-	NO	NO
Tanzania	72.6%	3	-	1	-	1	82	-	NO	YES
Togo	50.5%	1	-	-	-	1	16	-	NO	YES
Zambia	60.6%	4	-	2	-	-	22	1	NO	NO
Zimbabwe	46.9%	4	-	-	-	-	189	5	NO	NO
TOTAL	82.4%	207	16	79	9	23	6,196	156	12	14

* Total number of training days provided by PIP

** In-company training not included

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